TO Business

TORONTO Economic Development ...speaking with the business community

March/2004

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1. LET'S TALK- Notes from the Acting Executive Director

I am very pleased to have been selected to replace Brenda as Executive Director of Economic Development. Brenda has been appointed Acting General Manager, Parks and Recreation. This temporary assignment provides me with the opportunity to work directly with you in achieving your business goals. I am supported, as Brenda was, by a talented team skilled in assisting you with business investment, expansion and relocation advice. My team also works to grow our key economic sectors, gather and analyze statistical data and market the city. In addition, we work to revitalize designated employment areas and business improvement areas (BIAs).

Whatever your business needs, we have staff ready to assist. Please give us a call.

Karen Thorne-Stone

2. KPMG Finds Toronto Most Cost-effective City

"Competitive Alternatives" is a comprehensive guide for comparing business costs in North America, Europe, Australia, Iceland and Japan. This 2004 report is a follow-up to the 2002 study by KPMG. The new study measures the combined impact of 27 cost components that are most likely to vary by location, as applied to specific business operations. The 8-month research covers 120 cities around the world. More than 2,000 individual business scenarios were examined, through analysis of 30,000 items of data. The basis for comparison is the after-tax cost of start-up and operation for 17 specific types of business, over a 10-year period.

As in the 2002 study, the results show Canada to be the overall cost leader for 2004 with a 9.0% cost advantage over the United States. Canada's cost advantage over the U.S. ranges from 4.3% for telecommunications to 24.7% for electronic systems

development and testing.

The study is good news for Toronto as well. Toronto was found to have lower overall business costs than all 18 large U.S. cities in the study. In terms of its prime U.S. competitors, Toronto is the most-cost-effective city, across all industry sectors. The cost gap is significant enough that exchange rates would have to change significantly to alter Toronto's cost competitive position.

The City of Toronto, the Ministry of Economic Development and Trade and the Greater Toronto Marketing Alliance are hosting a breakfast briefing with Stuart MacKay, lead researcher for the 2004 "Competitive Alternatives", in the Metro Hall Council Chambers Lounge -55 John Street 2nd floor, on Tuesday March 23, 2004, beginning at 7:45 a.m.

For further information, contact Peter Finestone @ pfinesto@toronto.ca.

3. Aerospace Strategy Praised by Mayor

The Aerospace Action Partnership is a private-public initiative, endorsed by Toronto City Council, to promote the health and growth of the aerospace industry in Toronto and Ontario by engaging with aerospace manufacturers and suppliers, labour, academia and government stakeholders to develop and implement an aerospace cluster strategy. In 2002, the Ontario aerospace manufacturing industry had 11,800 employees, or 65 per cent of Ontario's and 19 per cent of Canada's aerospace employment, most of that concentrated in the Toronto area.

"The aerospace sector is a strategic sector that is crucial to Toronto's and Ontario's economic growth, yet it faces many challenges on a national and international level due to world events and economic conditions," said Mayor David Miller. "The creation of the Aerospace Action Partnership provides a foundation to improve the sector's competitiveness in the global market and help stimulate growth in the sector.

Its priority will be to promote a sales equity guarantee program similar to Quebec's to boost aircraft sales and production. The Partnership will also look to increase investment in research and technology, enhance skills development and training, encourage development of new products and processes to sustain global competitiveness and develop a world-class brand for this strategic sector.
For more information, contact Frank Bedard at fbedard@toronto.ca.

4. Toronto Rates Aa1 with Moody's

Moody's Investors Service has released a report confirming Toronto's Aa1 rating with a stable outlook, reflecting the City's commitment to maintaining fiscal discipline through "prudent management policies."

Budget Chief, Councillor David Soknacki, noted that Moody's stated the City of Toronto has managed a number of "organizational and fiscal challenges over the past few years" through the implementation of service efficiencies. The report shows that the City, through its budget and financial planning process, is working on fiscal sustainability, but we still need the support of the provincial and federal governments if we want to maintain or improve our credit rating."

The report, dated January 12, 2004, states there is a continued need to implement new municipal financial arrangements with the provincial and federal governments.

"Moody's realizes the importance of the new deal for the City of Toronto," said Mayor

David Miller.

Moody's states that although the City was impacted by a series of unpredictable events during 2003 such as SARS and a massive power outage, a healthy 2004 economic growth rate of four per cent is forecast for the local economy characterized as "the focal point of the province's diversified industrial and commercial heartland."

For more information, contact Peter Viducis at pviducis@toronto.ca.

5. Manufacturing Sector - Skill Needs Under Discussion

The manufacturing sector employs 246,000 Toronto residents and accounts for close to 20% of the City's GDP.

The City of Toronto 's Economic Development Office is now completing a labour readiness study of Toronto's food-processing sector.

Preliminary findings suggest that certain issues raised in the study, such as the need for literacy and numeracy skills development for example, may be shared by the entire manufacturing sector. The Toronto Training Board in partnership with the Ontario Association of Engineering Technicians and Technologists and Toronto's Economic Development Office, hosted a roundtable discussion in February to engage manufacturing employers in addressing skills gaps in the Toronto labour market. The agenda included a review of the findings of the food-processing study, assessment of areas of common concern and the identification of priorities for future action.

For more information contact Linda Fava at lfava@toronto.ca.

6. SARS Recovery Job Creation Program

Toronto Economic Development has partnered with Human Resources Development Canada (HRDC) to create the Small Business and Community Festival Placement Program, that places eligible Employment Insurance (EI) participants with the city's Business Improvement Areas (BIAs), Economic Revitalization Areas (ERAs) and event and festival organizations.

"This initiative is a win-win situation for everyone involved," says Karen Thorne-Stone, Executive Director, Toronto Economic Development. "It provides training and full-time work experience to individuals on EI and exposes them to numerous networking opportunities with potential employers. As well, it lends support to Toronto's small business community. The additional resources will boost the development and expansion of programs and events that create a positive image of our city and directly impact the local economy."

Toronto Economic Development is administering the one-year program. Recruitment will be an an-going process as it is anticipated participants will find full-time employment during the program.

For more information, contact Marianne Szczuryk at mszczur@toronto.ca

7. U of T Pumps $4.7 Billion into Economy

"At the centre of every great city is a great university," says University of Toronto president Robert Birgeneau. "Universities contribute to urban life in many ways including very directly to the economy. We're a major employer and economic engine in the GTA, province, country and virtually every sector of society."

The U of T pumps an estimated $4.7 billion into the economy of the Greater Toronto Area (GTA) each year. With nearly 11,000 employees, U of T is the GTA's largest employer. Its payroll alone has an economic impact of nearly $396 million. The 62,000 students registered in 2001-2002 each spent approximately $6,000 from September to May, not counting direct payment to the university for tuition, books and residence.

Some 8,500 people who graduate annually from U of T are likely to remain in or near Toronto. Approximately 70 per cent of all U of T alumni are living in metropolitan Toronto or central Ontario today.

For further information contact Susan Bloch-Nevitte at s.bloch.nevitte@utoronto.ca.

8. Toronto Facts

Are you Aware that:

- In the past century, scientists have mapped many of the world's frontiers, giving us the nuclear age, the space age and, now, the digital age. Some of the mysteries along the way were solved in Toronto, where close to 10,000 scientists study, teach and research.

  Toronto Life Beautiful Minds November 2003

- Ancient Egyptian texts describe the familiar symptoms of Alzheimer's, but our understanding of the disease took hold in the past decade due largely to the research undertaken at U of T's Centre for Research in Neurodegenerative Diseases.

  Toronto Life Beautiful Minds November 2003

- When John Polanyi won the Nobel Prize for chemistry in 1986, he was being recognized for a discovery he made 30 years earlier as a lecturer at U of T.

  Toronto Life Beautiful Minds November 2003

9. Toronto East Leads City in Industrial Investment

Scarborough led the city with industrial development projects in 2003. A total of 10 existing companies and one company new to the Scarborough area of Toronto, built over 722,000 sq. ft. of new space, created 900 new jobs and retained an additional 1,100 jobs.

Companies making significant investments in Toronto East during the past year included:

Global Metal Fabrication has completed a new 86,200 sq. ft. facility on a greenfield site at 142 Silver Star. Economic Development staff assisted the company with the site search and with development applications.

The Oriental Centre. A local architect approached Economic Development with a proposal for a 125,000 sq. ft. mixed retail and office development at 4438 Sheppard Avenue East. Economic Development supported the proposal and assisted with planning approvals paving the way for redevelopment.

Metro Waste Paper Recovery Inc. has constructed a 90,000 sq. ft. facility on Thornmount Drive. Economic Development coordinated the efforts of company and City officials to accelerate planning and construction.

The following companies also made investments in the Scarborough area: AIP Seafood Ltd.; Canadian Clothing International; Frito Lay Canada; Powerline Plus; Tai Lung Canada Ltd.; Umbra Inc.; University of Toronto; and Viva Magnetics (Canada) Ltd.

For further information on Scarborough area development activity contact Ron Rea at rea@toronto.ca.

10. Upcoming Business Events

5-Week Small Business Course "Up & Running"

March 3- 31, 2004
6:00p.m- 9:00p.m.
North York Civic Centre
Enterprise Toronto Resource Centre
5100 Yonge Street
Cost: $295.00
For further information contact Jack David at jdavid@toronto.ca

Compensation and Employment Practices Series
How to Hold on to the Best

March 5, 2004
9 a.m. -1 p.m.
Toronto Board of Trade Downtown Centre
First Canadian Place- King & Bay Streets
Cost: $175.00 members/ $200.00 non-members
For further information call the Board of Trade Eventline 416 862- 4500 or visit www.bot.com.

Venturing Into Food
A Day-long Symposium on Food Processing Opportunities

March 9, 2004
8:30 a.m. - 4:30 p.m.
Metro Hall
55 John Street /3rd Floor
Cost: $212.93
For further information contact Michael Wolfson at mwolfso@toronto.ca

Mayor David Miller's Address to the Chambers of Commerce

March 9, 2004
11:30 a.m. - 2:00 p.m.
Delta Toronto East
Hotel Kennedy & 401
Cost: $49.22
For further information contact Hilda Seedanee at 416 439-4140 or office@scarboroughchamber.com

Small Business Legal Tips- a Roundtable

March 11, 2004
9:00 a.m.-12:00p.m.
North York Civic Centre
5100 Yonge Street
Free admission
For further information contact Jack David at jdavid@toronto.ca

Toronto Biotechnology Initiative (TBI) Breakfast

March 17, 2004
8 a.m.-10:00a.m.
Metro Hall
55 John Street /Room 308
For further information contact Matt Buist at mbuist@toronto.ca

Toronto Fashion Week
Canadian Chic

March 22-26, 2004
Fall/Winter 2004 Collections
For further information contact Laurie Belzak at lbelzak@toronto.ca

Presentation of KPMG Competitive Alternative Study

March 23, 2004
7:45 a.m. - 9:30 a.m.
Metro Hall Council Chamber Lounge
55 John Street 2nd floor
For further information contact pfinesto@toronto.ca

Accounting Seminar

March 23, 2004
1:00p.m. - 4:00p.m.
Toronto City Hall
Committee Room #3
100 Queen Street West
Free Admission
For further information contact Jack David at jdavid@toronto.ca

Confronting Labour and Skills Shortages in Toronto
Consultation on Findings and Recommendations
Toronto Labour Force Readiness Plan

March 25, 2004
8:30 a.m.- 2:00p.m.
Metro Hall
55 John Street Room 308/ 309
Free admission, pre-registration required.
For further information contact: Susan Brown at sbrown6@toronto.ca

Tax Information Forum
Sponsored by Enterprise Toronto

May 3 & 26, 2004
North York Civic Centre
5100 Yonge Street (May 3)

Metro Hall
55 John Street (May 26)
Free Admission
For further Information contact Ronit Goldenberg at rgolden@toronto.ca

11. " Love Letter" to Toronto - On Film

The Republic of Love, a feature film shot in and around the GTA last winter opened on February 13, 2004.

In introducing the film at a Toronto Film Festival gala in September, Deepa Mehta, who also directed the acclaimed film Hollywood/ Bollywood, called it her "love letter to Toronto." According to Linda Brown, General Manger of Triptych Media Inc. who produced the Canadian /UK co-production with Dan Films, "the city has never looked better." While Toronto is frequently the featured backdrop for successful productions it is often masking as another urban centre. In this production Toronto plays itself. The production's success could drive additional tourism dollars to Toronto as audience members decide to explore the featured locale.

For further information visit www.republicoflove.net or contact Triptych Media Inc at trip@triptych.on.ca.

12. "Toronto You Belong Here" Captures Award

EDCO, Ontario's Economic Development Network annually presents Awards of Excellence recognizing outstanding promotional achievements.

This year's EDCO jury has awarded "Toronto You Belong Here" the City's integrated marketing campaign launched in May 2003 to spearhead economic recovery from the devastating effects of SARS, with the top award for advertising. Councillor Brian Ashton, Chairman of the City's Economic Development and Parks Committee accepted the Award on behalf of the City.

For further information on the *Toronto You Belong Here* campaign contact Monica Kucharski at mkucharski@toronto.ca.

13. Board of Trade Top Employers Guide

The Toronto Board of Trade is compiling its 2004 Top Employers Guide. The Guide lists 15,000 executive contacts, covering companies in Toronto, Durham, Halton, Peel and York regions with 50 employees or more. The database includes telephone and fax numbers and can be sorted by industry.

To obtain more details contact Kevin at 416 862-4538.

14. Thanks to Our Contributors

We greatly appreciate the assistance of the following people for kindly contributing ideas for this issue of TO business:

Frank Bedard
Kyle Benham
Rob Berry

Susan Brown
Jack David
Linda Fava
Peter Finestone
Heather Hastings
Ron Rea
Karina Patterson
Vanna Petropoulos
George Wheeler

15.Contact Us

We are interested in your feedback. Contact us @ cknipfel@toronto.ca with ideas for future newsletter topics, questions about issues raised, or to add names to our distribution list.

16. We Are Your Contact At City Hall

We are here to help you. If you are looking to expand or relocate, if you need assistance with city, provincial, or federal policies, contact us. We also are able to put you in touch with key contacts to expedite and realize your business goals.

Check out Toronto's comprehensive business services @ www.toronto.ca/business.

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